



# Senate

General Assembly

**File No. 642**

February Session, 2022

Substitute Senate Bill No. 9

*Senate, April 26, 2022*

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## **AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-71e of the 2022 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective from passage*):

4 (a) Notwithstanding the provisions of any special act, municipal  
5 charter or home rule ordinance, (1) for the assessment year commencing  
6 October 1, 2016, the mill rate for motor vehicles shall not exceed 39 mills,  
7 [and] (2) for the assessment [year] years commencing October 1, 2017,  
8 [and each assessment year thereafter] to October 1, 2020, inclusive, the  
9 mill rate for motor vehicles shall not exceed 45 mills, and (3) for the  
10 assessment year commencing October 1, 2021, and each assessment year  
11 thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills.

12 (b) Any municipality or district may establish a mill rate for motor  
13 vehicles that is different from its mill rate for real property and personal

14 property other than motor vehicles to comply with the provisions of this  
15 section. No district or borough may set a motor vehicle mill rate that if  
16 combined with the motor vehicle mill rate of the town, city, consolidated  
17 town and city or consolidated town and borough in which such district  
18 or borough is located would result in a combined motor vehicle mill rate  
19 (1) above 39 mills for the assessment year commencing October 1, 2016,  
20 [or] (2) above 45 mills for the assessment [year] years commencing  
21 October 1, 2017, to October 1, 2020, inclusive, or (3) above 32.46 mills for  
22 the assessment year commencing October 1, 2021, and each assessment  
23 year thereafter.

24 (c) Notwithstanding the provisions of any special act, municipal  
25 charter or home rule ordinance, a municipality or district that set a  
26 motor vehicle mill rate prior to October 31, 2017, for the assessment year  
27 commencing October 1, 2016, may, by vote of its legislative body, or if  
28 the legislative body is a town meeting, the board of selectmen, revise  
29 such mill rate to meet the requirements of this section, provided such  
30 revision occurs not later than December 15, 2017.

31 (d) Notwithstanding the provisions of section 12-112, any board of  
32 assessment appeals of a municipality that mailed or distributed, prior to  
33 October 31, 2017, bills to taxpayers for motor vehicle property taxes  
34 based on assessments made for the assessment year commencing  
35 October 1, 2016, shall hear or entertain any appeals related to such  
36 assessments not later than December 15, 2017.

37 (e) For the purposes of this section, "municipality" means any town,  
38 city, borough, consolidated town and city, consolidated town and  
39 borough and "district" means any district, as defined in section 7-324.

40 Sec. 2. Subsection (c) of section 4-66l of the 2022 supplement to the  
41 general statutes is repealed and the following is substituted in lieu  
42 thereof (*Effective from passage*):

43 (c) (1) For the fiscal year ending June 30, 2022, [and each fiscal year  
44 thereafter,] motor vehicle property tax grants to municipalities that  
45 impose mill rates on real property and personal property other than

46 motor vehicles greater than 45 mills or that, when combined with the  
47 mill rate of any district located within the municipality, impose mill  
48 rates greater than 45 mills, shall be made in an amount equal to the  
49 difference between the amount of property taxes levied by the  
50 municipality and any district located within the municipality on motor  
51 vehicles for the assessment year commencing October 1, 2017, and the  
52 amount such levy would have been if the mill rate on motor vehicles for  
53 said assessment year was equal to the mill rate imposed by such  
54 municipality and any district located within the municipality on real  
55 property and personal property other than motor vehicles.

56 (2) Not later than fifteen calendar days after receiving a property tax  
57 grant pursuant to this section, the municipality shall disburse to any  
58 district located within the municipality the amount of any such property  
59 tax grant that is attributable to the district.

60 (3) For the fiscal year ending June 30, 2023, and each fiscal year  
61 thereafter, motor vehicle property tax grants shall be made to:

62 (A) Municipalities that imposed mill rates greater than 32.46 mills on  
63 real property and personal property other than motor vehicles for the  
64 preceding fiscal year, in an amount equal to the difference between (i)  
65 the amount of property taxes the municipality would have levied on  
66 motor vehicles for the preceding fiscal year if the mill rate imposed on  
67 motor vehicles for such year was 32.46 mills, and (ii) the amount of  
68 property taxes the municipality would have levied on motor vehicles  
69 for the preceding fiscal year if the mill rate imposed on motor vehicles  
70 for such year was equal to the mill rate imposed on real property and  
71 personal property other than motor vehicles for such year; and

72 (B) Districts that imposed mill rates that, when combined with the  
73 mill rate of the municipality in which the district is located, were greater  
74 than 32.46 mills on real property and personal property other than  
75 motor vehicles for the preceding fiscal year, in an amount equal to the  
76 difference between (i) the amount of property taxes the district would  
77 have levied on motor vehicles for the preceding fiscal year if the mill  
78 rate imposed on motor vehicles for such year, when combined with the

79 mill rate imposed on motor vehicles for such year by the municipality  
80 in which the district is located, was 32.46 mills, and (ii) the amount of  
81 property taxes the district would have levied on motor vehicles for the  
82 preceding fiscal year if the mill rate imposed on motor vehicles for such  
83 year, when combined with the mill rate imposed on motor vehicles for  
84 such year by the municipality in which the district is located, was equal  
85 to the mill rate imposed by the district on real property and personal  
86 property other than motor vehicles for such year.

87 Sec. 3. Section 5-156a of the 2022 supplement to the general statutes  
88 is amended by adding subsection (h) as follows (*Effective July 1, 2022*):

89 (NEW) (h) Any recovery of pension costs from an appropriated or  
90 nonappropriated source other than the General Fund or Special  
91 Transportation Fund that causes the payments to the State Employees  
92 Retirement System to exceed the actuarially determined employer  
93 contribution for any fiscal year shall be deposited into the State  
94 Employees Retirement Fund as an additional employer contribution at  
95 the end of such fiscal year.

96 Sec. 4. (NEW) (*Effective October 1, 2022*) (a) As used in this section:

97 (1) "State agency electric vehicle charging station" means an electric  
98 component assembly or cluster of component assemblies designed  
99 specifically to charge electric vehicles by permitting the transfer of  
100 electric energy to a battery or other storage device used in an electric  
101 vehicle that is owned and operated by a state agency on state property;

102 (2) "State property" means real property owned by a state agency;

103 (3) "State agency" means any state office, officer, department,  
104 division, bureau, board and commission, permanent or temporary in  
105 nature, whether in the legislative, executive or judicial branch, and the  
106 subdivisions of each, including the constituent units of the state system  
107 of higher education;

108 (4) "State employee" means any employee in the executive, legislative  
109 or judicial branch of state government, whether in the classified or

110 unclassified service and whether full or part-time; and

111 (5) "Plug-in hybrid electric vehicle", "battery electric vehicle" and  
112 "electric vehicle" have the same meanings as provided in section 16-  
113 19eee of the general statutes.

114 (b) Each state agency may designate certain state agency electric  
115 vehicle charging stations as available for public use, for the sole use of  
116 state employees, or for a combination of both state employees and the  
117 public. In designating such charging stations, state agencies shall give  
118 consideration to state-owned properties that receive visitors conducting  
119 business with state agencies, including, but not limited to, service  
120 centers, maintenance facilities, correctional facilities, visitor centers,  
121 health care facilities and recreational facilities.

122 (c) No person shall park a vehicle in a parking space equipped with  
123 a state agency electric vehicle charging station unless such person is  
124 charging a plug-in hybrid electric vehicle or battery electric vehicle.

125 (d) Each state agency may determine the appropriate maximum  
126 charging time limits per user per charging session for its state agency  
127 electric vehicle charging stations based upon the parking needs at the  
128 state property where such charging stations are installed. Any such time  
129 limits shall be posted at such charging stations. No person shall charge  
130 a plug-in hybrid electric vehicle or battery electric vehicle in a space  
131 equipped with a state agency electric vehicle charging station for a  
132 period longer than the maximum time limit set by a state agency  
133 pursuant to this subsection.

134 (e) State agencies shall assess and collect a fee established under  
135 subsection (f) of this section to both public and state employee users of  
136 state agency electric vehicle charging stations purchased and installed  
137 on or after October 1, 2022, except that any user charging an electric  
138 vehicle that is owned or leased by the state shall be exempt from paying  
139 such fee. The amount of any fees assessed pursuant to this section shall  
140 be posted at the charging station. Any fees collected under this section  
141 shall be deposited into the fund of the state from which funds were

142 provided for the acquisition and installation of the charging station.

143 (f) The Department of Administrative Services, the Joint Committee  
144 on Legislative Management and the Office of the Chief Court  
145 Administrator shall, in consultation with the Department of Energy and  
146 Environmental Protection, establish a reasonable fee for users of state  
147 agency electric vehicle charging stations for their respective branch of  
148 government at a level that recovers, to the maximum extent practicable,  
149 the costs associated with the electricity used by the charging stations  
150 and with operating and maintaining such charging stations. Such fees  
151 shall be structured on a per-kilowatt-hour basis. The fees shall be  
152 updated on an annual basis or sooner if deemed necessary by the branch  
153 of government setting the fee. The Department of Administrative  
154 Services shall post any fees established for the executive branch of  
155 government pursuant to this subsection on its Internet web site.

156 (g) A violation of any provision of subsection (c) or (d) of this section  
157 shall be an infraction, provided the provisions of this subsection shall  
158 not apply to an emergency vehicle, as defined in section 14-283 of the  
159 general statutes.

160 Sec. 5. Section 21a-420f of the 2022 supplement to the general statutes  
161 is repealed and the following is substituted in lieu thereof (*Effective from*  
162 *passage*):

163 (a) (1) There is established an account to be known as the "cannabis  
164 regulatory and investment account" which shall be a separate,  
165 nonlapsing account within the General Fund. The account shall contain  
166 any moneys required by law to be deposited in the account. Moneys in  
167 the account shall be allocated by the Secretary of the Office of Policy and  
168 Management, in consultation with the Social Equity Council, as defined  
169 in section 21a-420, to state agencies for the purpose of paying costs  
170 incurred to implement the activities authorized under RERACA, as  
171 defined in section 21a-420.

172 (2) Notwithstanding the provisions of section 21a-420e, for the fiscal  
173 year ending June 30, 2022, the following shall be deposited in the

174 cannabis regulatory and investment account: (A) All fees received by  
175 the state pursuant to section 21a-421b and subdivisions (1) to (11),  
176 inclusive, of subsection (c) of section 21a-420e; (B) the tax received by  
177 the state under section 12-330ll; and (C) the tax received by the state  
178 under chapter 219 from a cannabis retailer, hybrid retailer or micro-  
179 cultivator, as those terms are defined in section 12-330ll.

180 (b) (1) There is established an account to be known as the "social  
181 equity and innovation account" which shall be a separate, nonlapsing  
182 account within the General Fund. The account shall contain any moneys  
183 required by law to be deposited in the account. Moneys in the account  
184 shall be allocated by the Secretary of the Office of Policy and  
185 Management, in consultation with the Social Equity Council, to state  
186 agencies for the purpose of (A) paying costs incurred by the Social  
187 Equity Council, [as defined in section 21a-420, and] (B) administering  
188 programs under RERACA to provide (i) access to capital for businesses,  
189 (ii) technical assistance for the start-up and operation of a business, (iii)  
190 funding for workforce education, and (iv) funding for community  
191 investments, and (C) paying costs incurred to implement the activities  
192 authorized under RERACA.

193 (2) Notwithstanding the provisions of sections 21a-420e and 21a-  
194 420o, for the fiscal year ending June 30, 2022, the following shall be  
195 deposited in the social equity and innovation account: All fees received  
196 by the state pursuant to sections 21a-420l, 21a-420o and 21a-420u and  
197 subdivisions (12) and (13) of subsection (c) of section 21a-420e.

198 (c) (1) On and after July 1, 2022, there is established a fund to be  
199 known as the "Social Equity and Innovation Fund" which shall be a  
200 separate, nonlapsing fund. The fund shall contain any moneys required  
201 by law to be deposited in the fund and shall be held by the Treasurer  
202 separate and apart from all other moneys, funds and accounts. Moneys  
203 in the fund shall be appropriated for the purposes of providing the  
204 following: Access to capital for businesses; technical assistance for the  
205 start-up and operation of a business; funding for workforce education;  
206 [and] funding for community investments; and paying costs incurred to

207 implement the activities authorized under RERACA. All such  
208 appropriations shall be dedicated to expenditures that further the  
209 principles of equity, as defined in section 21a-420.

210 (2) (A) For the purposes of subdivision (1) of this subsection, for the  
211 fiscal year ending June 30, 2023, and for each fiscal year thereafter, the  
212 Social Equity Council shall transmit, for even-numbered years,  
213 estimates of expenditure requirements and for odd-numbered years,  
214 recommended adjustments and revisions, if any, of such estimates, to  
215 the Secretary of the Office of Policy and Management, in the manner  
216 prescribed for a budgeted agency under subsection (a) of section 4-77.  
217 The council shall recommend for each fiscal year commencing with the  
218 fiscal year ending June 30, 2023, appropriate funding for all credits  
219 payable to angel investors that invest in cannabis businesses pursuant  
220 to section 12-704d.

221 (B) The Office of Policy and Management may not make adjustments  
222 to any such estimates or adjustments and revisions of such estimates  
223 transmitted by the council. Notwithstanding any provision of the  
224 general statutes or any special act, the Governor shall not reduce the  
225 allotment requisitions or allotments in force pursuant to section 4-85 or  
226 make reductions in allotments in order to achieve budget savings in the  
227 General Fund, concerning any appropriations made by the General  
228 Assembly for the purposes of subdivision (1) of this subsection.

229 (d) On and after July 1, 2022, there is established a fund to be known  
230 as the "Prevention and Recovery Services Fund" which shall be a  
231 separate, nonlapsing fund. The fund shall contain any moneys required  
232 by law to be deposited in the fund and shall be held by the Treasurer  
233 separate and apart from all other moneys, funds and accounts. Moneys  
234 in the fund shall be appropriated for the purposes of (1) substance abuse  
235 prevention, treatment and recovery services, and (2) collection and  
236 analysis of data regarding substance use. The Social Equity Council may  
237 make recommendations to any relevant state agency regarding  
238 expenditures to be made for the purposes set forth in this subsection.



This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	12-71e
Sec. 2	<i>from passage</i>	4-66l(c)
Sec. 3	<i>July 1, 2022</i>	5-156a
Sec. 4	<i>October 1, 2022</i>	New section
Sec. 5	<i>from passage</i>	21a-420f

**APP**      *Joint Favorable Subst.*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

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## **OFA Fiscal Note**

**State Impact:** See Below

**Municipal Impact:** See Below

### **Explanation**

**Sections 1 and 2** reduce the motor vehicle mill rate cap from 45 to 34.46 and make corresponding changes to the mill rate cap reimbursement grant formula. The revised FY 23 budget provides \$100 million for reimbursement.

**Section 3** requires any that any over-collection of recoveries for the State Employees Retirement System (SERS) funds must be deposited to the State Employees Retirement Fund (SERF). Currently, any over-collection of recoveries is deposited to the General Fund as revenue, while under-collections result in a reduced contribution to SERS. To the extent that there are such over-collection of recoveries, there will be increased deposits to SERF and a reduction to General Fund revenues.

**Section 4** allows state agencies to designate agency EV charging stations as either (1) available for public use; (2) for the sole use of state employees; or (3) for a combination of both state employees and the public. It further requires state agencies to collect fees on non-state vehicles for such use and to deposit the revenue into the fund from which the expenses for installing the relevant EV infrastructure were paid, resulting in a revenue gain to the respective fund (primarily GF or STF). Additionally, violations of these provisions are infractions and result in potential minimal revenue gain to the GF.

**Section 5** results in potential savings to the General Fund by allowing

state agencies' expenditures that are associated with activities authorized under PA 21-1 JSS, AAC Responsible and Equitable Regulation of Adult-Use Cannabis, to be paid out of Social Equity and Innovation Fund. The Social Equity and Innovation Fund, created under PA 21-1 JSS, is a separate, non-lapsing fund that is funded by certain licensing fees and a portion of the state cannabis tax.

***The Out Years***

***State Impact:*** See Above

***Municipal Impact:*** See Above

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**OFA Bill Analysis****SB 9*****AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT.*****SUMMARY:**

The bill makes several changes to implement the Revised FY 23 budget, JF'ed out of the Appropriations Committee on 4/7/22. The changes are as follows:

**Sections 1 and 2** reduce the motor vehicle mill rate cap from 45 to 34.46 and make corresponding changes to the mill rate cap reimbursement grant formula.

**Section 3** requires any that any over-collection of recoveries for the State Employees Retirement System (SERS) funds must be deposited to the State Employees Retirement Fund (SERF). Currently, any over-collection of recoveries is deposited to the General Fund as revenue, while under-collections result in a reduced contribution to SERS.

**Section 4** allows state agencies to designate agency electric vehicle charging stations as either (1) available for public use; (2) for the sole use of state employees; or (3) for a combination of both state employees and the public. It further requires state agencies to collect fees on non-state vehicles for such use and to deposit the revenue into the fund from which the expenses for installing the relevant EV infrastructure were paid.

**Section 5** allows state agencies' expenditures that are associated with activities authorized under PA 21-1 JSS, AAC Responsible and Equitable Regulation of Adult-Use Cannabis, to be paid out of Social Equity and Innovation Fund. The Social Equity and Innovation Fund, created under PA 21-1 JSS, is a separate, non-lapsing fund that is funded by certain

licensing fees and a portion of the state cannabis tax.

EFFECTIVE DATE: Sections 1, 2 and 5 are effective from passage. Section 3 is effective July 1, 2022 and Section 4 is effective October 1, 2022.

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute

Yea 35 Nay 15 (04/07/2022)